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H.B. No. 3360

A BILL TO BE ENTITLED

AN ACT

relating to a periodic review by the Economic Incentive Oversight Board of the ad valorem tax incentive program established by the Texas Economic Development Act.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 490G.001, Government Code, is amended by amending Subdivision (2-a) and adding Subdivision (2-b) to read as follows:

(2-a) "Office" means the Texas Economic Development and Tourism Office.

(2-b) "Rural county" means a county with a population of less than 60,000.

SECTION 2. Chapter 490G, Government Code, is amended by adding Section 490G.0055 to read as follows:

Sec. 490G.0055. REVIEW OF PROGRAM ESTABLISHED BY TEXAS ECONOMIC DEVELOPMENT ACT; PERFORMANCE MATRIX. (a) The board shall examine the effectiveness, efficiency, and financial impact on this state of the ad valorem tax incentive program established by Chapter 313, Tax Code, including whether that chapter is being implemented by school districts and the comptroller in such a way as to:

(1) accomplish the purposes of that chapter as expressed in Section 313.003 of that chapter; and

(2) comply with the intent of the legislature in

1 enacting that chapter as expressed in Section 313.004 of that
2 chapter.

3 (b) The board shall develop a performance matrix that
4 clearly establishes the economic performance indicators, measures,
5 and metrics that will guide the board's evaluation of the program.

6 (c) The comptroller shall provide to the board on request
7 information concerning the program as necessary to enable the board
8 to perform the board's duties under this chapter.

9 SECTION 3. The heading to Section 490G.006, Government
10 Code, is amended to read as follows:

11 Sec. 490G.006. SCHEDULE OF REVIEW OF STATE INCENTIVE
12 PROGRAMS; RECOMMENDATION TO LEGISLATIVE AUDIT COMMITTEE.

13 SECTION 4. Chapter 490G, Government Code, is amended by
14 adding Section 490G.0065 to read as follows:

15 Sec. 490G.0065. SCHEDULE OF REVIEW OF PROGRAM ESTABLISHED
16 BY TEXAS ECONOMIC DEVELOPMENT ACT. (a) The board shall develop a
17 schedule for the review of the ad valorem tax incentive program
18 established by Chapter 313, Tax Code, for the purpose of making
19 recommendations concerning the effectiveness and efficiency of the
20 program to the office and reporting the findings and
21 recommendations resulting from the review to the legislature as
22 required by Section 490G.007. The board shall review and make
23 findings and recommendations regarding the program according to the
24 review schedule.

25 (b) The board, on request, shall provide to the governing
26 body of a school district or the comptroller any recommendations
27 submitted to the office under Subsection (a) concerning the

1 program.

2 SECTION 5. Section 490G.007, Government Code, is amended to
3 read as follows:

4 Sec. 490G.007. BIENNIAL REPORT. Not later than January 1
5 of each odd-numbered year, the board shall submit to the lieutenant
6 governor, the speaker of the house of representatives, and each
7 standing committee of the senate and house of representatives with
8 primary jurisdiction over economic development a report containing
9 findings and recommendations resulting from each review of state
10 incentive programs and funds and of the ad valorem tax incentive
11 program established by Chapter 313, Tax Code, conducted by the
12 board under this chapter during the preceding two calendar years.

13 SECTION 6. This Act takes effect September 1, 2017.